

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

The Financial Oversight and Management Board for
Puerto Rico,

as representative of

The Commonwealth of Puerto Rico, *et al.*,

Debtors.¹

PROMESA

Title III

Case No. 17-3283-LTS

**Court Filing Relates Only to
PREPA**

In re:

The Financial Oversight and Management Board for
Puerto Rico,

as representative of

The Puerto Rico Electric Power Authority,

Debtor.

PROMESA

Title III

Case No. 17-4780-LTS

(Jointly Administered)

**URGENT MOTION OF SYNCORA GUARANTEE INC. TO EXCEED THE PAGE
LIMIT WITH RESPECT TO ITS OBJECTION TO THE CONFIRMATION OF THE
MODIFIED SECOND AMENDED TITLE III PLAN OF ADJUSTMENT OF THE
PUERTO RICO ELECTRIC POWER AUTHORITY**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

To the Honorable United States District Judge Laura Taylor Swain:

Syncora Guarantee Inc. (“Syncora”) hereby files this urgent motion (the “Urgent Motion”) seeking entry of an order substantially similar to the attached **Exhibit A**, permitting Syncora to exceed the thirty-five (35) page limit for objections set forth in the *Sixteenth Amended Notice, Case Management and Administrative Procedures* (ECF No. 20190-1 in Case No. 17-3283, the “Case Management Procedures”), and allowing Syncora to file an objection (the “Objection”) of no more than **sixty (60) pages** to the *Modified Second Amended Title III Plan of Adjustment of the Puerto Rico Electric Power Authority* (ECF No. 23663,²ⁱ the “Plan”). In support of this Urgent Motion, Syncora respectfully states the following:

JURISDICTION AND VENUE

1. The United States District Court for the District of Puerto Rico has subject-matter jurisdiction over this matter pursuant to Section 306(a) of PROMESA.
2. Venue is proper pursuant to Section 307(a) of PROMESA.

BACKGROUND

3. On March 1, 2023, the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) filed its *Modified Second Amended Title III Plan of Adjustment of the Puerto Rico Electric Power Authority* (ECF No. 23663).
4. On May 31, 2023, the Court issued the *Third Amended and Restated Order Establishing, Among Other Things, Procedures and Deadlines Concerning Objections to Confirmation and Discovery in Connection Therewith* (the “Confirmation Scheduling Order”) ECF No. 24376).

² References to ECF Nos. in this Urgent Motion refer to the docket in Case No. 17-03283-LTS, unless otherwise noted. Capitalized terms used in this Urgent Motion, but which are not defined herein, shall have the meanings assigned to them under the Case Management Procedures.

5. In keeping with the Confirmation Scheduling Order, Syncora plans to file an Objection to confirmation of the Plan on or before June 12, 2023.

BASIS FOR RELIEF REQUESTED

6. Syncora respectfully requests that it be allowed to exceed the thirty-five (35) page limit for objections set forth in Section I.E of the Case Management Procedures. Syncora requests permission to file an Objection to the Plan of no more than **sixty (60) pages**, exclusive of the cover page, table of contents and authorities, signature page, exhibits, certificate of service, and any other required certifications.

7. The Plan is a consequential and complex document. It is based on a substantial amount of underlying analysis, raises a wide range of legal questions, and could have a significant impact on bondholders. The rights of Syncora, as a monoline insurer, are also distinct from those of the bondholders involved in the Title III case. Various issues that arise in relation to the Plan are therefore unique to Syncora. This includes PREPA's proposed settlement with National, another monoline insurer. In its current form, the Plan proposes to provide National with significantly enhanced treatment of its claims well beyond that offered to Syncora. Indeed, the Plan manufactures a reimbursement claim for National; yet it fails to recognize such claim for Syncora even though Syncora also has made post-petition payments to its insureds. For these reasons, Syncora respectfully submits that it may need up to **sixty (60) pages** to address various objections to the Plan. The Plan plays an essential role in the ongoing litigation between PREPA and insurers and holders of bonds. As such, Syncora seeks to ensure that the Court is adequately briefed on each of the issues raised in the Objection.

8. Syncora submits that the requested relief is reasonable and appropriate given the above circumstances.

NOTICE

10. Notice of this Urgent Motion is being provided to all parties that have filed their notice of appearance in the instant case. This notice is being provided through the ECF system.

CERTIFICATION

11. In accordance with Local Rule 9013-1 and Section I.H. of the Case Management Procedures, the undersigned counsel certify that the issue necessitates an Urgent Motion, and that such need has not arisen due to lack of due diligence or lack of good-faith efforts to resolve the issues with counsel for the Oversight Board. Counsel for the Oversight Board has declined to inform counsel for Syncora of its position on the Urgent Motion.

NO PRIOR REQUEST FOR RELIEF

12. No prior request for the relief requested herein has previously been made by Syncora to this court, or to any other.

WHEREFORE, Syncora respectfully requests that this Court enter an order substantially similar to the one attached hereto as **Exhibit A**, granting the relief requested herein, and granting other such relief as this Court deems just and proper.

[Signature Page Follows]

Dated: June 9, 2023

San Juan, Puerto Rico

REICHARD & ESCALERA, LLC

**QUINN EMANUEL URQUHART &
SULLIVAN, LLP**

By: /s/ Rafael Escalera

Rafael Escalera

USDC-PR No. 122,609

/s/ Sylvia M. Arizmendi

Sylvia M. Arizmendi

USDC-PR No. 210,714

/s/ Carlos R. Rivera-Ortiz

Carlos R. Rivera-Ortiz

USDC-PR No. 303,409

255 Ponce de León Avenue

MCS Plaza, 10th Floor

San Juan, PR 00917-1913

Tel.: (787) 777-8888

Fax: (787) 765-4225

E-mail: escalara@reichardescalera.com

arizmendis@reichardescalera.com

riverac@reichardescalera.com

By: /s/ Susheel Kirpalani

Susheel Kirpalani*

Daniel Salinas

USDC-PR No. 224,006

Eric Kay*

51 Madison Avenue, 22nd Floor

New York, New York 10010-1603

Tel.: (212) 849-7000

Fax: (212) 849-7100

Email: susheelkirpalani@quinnemanuel.com

danielsalias@quinnemanuel.com

erickay@quinnemanuel.com

** Admitted Pro Hac Vice*

Counsel for Syncora Guarantee, Inc.

Counsel for Syncora Guarantee, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on this same date, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to counsel for the parties of record.

/s/ Carlos R. Rivera-Ortiz
USDC-PR 303409

Exhibit A

Proposed Order

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

The Financial Oversight and Management Board for
Puerto Rico,

as representative of

The Commonwealth of Puerto Rico, *et al.*,

Debtors.¹

PROMESA
Title III

Case No. 17-3283-LTS

**Court Filing Relates Only to
PREPA**

In re:

The Financial Oversight and Management Board for
Puerto Rico,

as representative of

The Puerto Rico Electric Power Authority,

Debtor.

PROMESA
Title III

Case No. 17-4780-LTS

(Jointly Administered)

**[PROPOSED] ORDER GRANTING URGENT MOTION OF
SYNCORA GUARANTEE INC. TO EXCEED PAGE LIMIT WITH
RESPECT TO ITS OBJECTION TO THE CONFIRMATION OF
THE MODIFIED SECOND AMENDED TITLE III PLAN OF ADJUSTMENT
OF THE PUERTO RICO ELECTRIC POWER AUTHORITY**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Having considered the *Urgent Motion of Syncora Guarantee Inc. to Exceed the Page Limit With Respect to its Objection to the Confirmation of the Modified Second Amended Title III Plan of Adjustment of the Puerto Rico Electric Power Authority* (the “Urgent Motion”),² the Court hereby FINDS AND DETERMINES that (i) the Court has jurisdiction to consider the Urgent Motion and the relief requested therein pursuant to Section 306 of PROMESA; (ii) venue is proper before this Court pursuant to Section 307(a) of PROMESA; (iii) the relief requested in the Urgent Motion is proper and in the best interest of the Title III debtors, their creditors, and other interested parties; and (iv) due and proper notice of the Urgent Motion has been provided under the particular circumstances, and no other or further notice need be provided. Accordingly, it is hereby **ORDERED THAT:**

1. The Urgent Motion is GRANTED as set forth herein.
2. Syncora may exceed the thirty-five (35) page-per-objection limit set forth in the Case Management Procedures by filing an Objection to confirmation of the Plan of no more than **sixty (60) pages**, exclusive of the cover page, tables of contents and authorities, signature page, exhibits, certificate of service, and any other required certifications.
3. The Court shall retain jurisdiction to hear and determine any matters related to the implementation and interpretation of this Order.

Dated: June __, 2023

HONORABLE LAURA TAYLOR SWAIN
United States District Judge

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Urgent Motion.